REMARKS/ARGUMENTS

Reconsideration and withdrawal of the rejections of the application are respectfully requested in view of the amendments and remarks herewith, which place the application into condition for allowance. The present amendment is being made to facilitate prosecution of the application.

I.   STATUS OF THE CLAIMS AND FORMAL MATTERS

Claims 1-3, 6, 7, 9 and 10 are currently pending. Claims 1, 7, 9 and 10 are independent and are hereby amended. No new matter has been introduced. Support for this amendment is provided throughout the Specification as originally filed.

Changes to the claims are not made for the purpose of patentability within the meaning of 35 U.S.C. §101, §102, §103, or §112. Rather, these changes are made simply for clarification and to round out the scope of protection to which Applicant is are entitled.

II.   REJECTIONS UNDER 35 U.S.C. §112

- In par. 4 on page 3, the Office Action asserts the specification does not disclose the following recited claim 1 element:

> "receiving contents *and content usage rights information* from a contents distribution server at a memory storage device remote from the user" (emphasis in Office Action)

The Office Action asserts "neither embodiment teaches receiving content and content usage rights information in response to a request."

Applicant respectfully disagrees because both contents and key code information are received and the key code includes the usage rights information.

By way of explanation, Applicant first directs attention to the present specification Publ. App. pars. [0064]-[0065], which state:

"First of all, the contents distribution means 3 of FIG. 1 . . . acquires the contents CT . . . then stores the acquired contents CT in the memory storage means 1."

The contents usage right information means 4 . . . acquires the key code information KD of the acquired contents CT . . . stores the contents CT key code information in the memory storage means 1." Publ. App. pars. [0064]-[0065] (emphases added)

Thus, both the contents CT and key code information KD are acquired (received) and stored in the memory.

Second, note the specification states:

"An example of the data structure of the key code information KD is shown in FIG. 3A through FIG. 3D."

The key code information KD . . . also has information on contents usage rights to allow utilization by the user. The copyrights of the contents CT are protected by this key code information KD." Publ. App. pars. [0049]-[0050] and FIGS. 3A-3D (emphases added)

Thus, contents CT and contents usage rights (included with key code information KD) are received.

Applicant respectfully requests withdrawal of this §112 rejection.

- In par. 5a and 5b on page 4, the Office Action rejected claims 1-3, 6, 7, 9 and 10 under 35 U.S.C. 112, second paragraph.

The claims have been amended to overcome the rejection by clarifying that which was inherent. Publ. App. par. [0091]-[0092].

Applicant respectfully requests withdrawal of this §112 rejection.

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III. REJECTIONS UNDER 35 U.S.C. §103(a)

Claims 1-3, 6, 7, 9 and were rejected under 35 U.S.C. §103(a) as allegedly unpatentable

over U.S. Patent No. 6,697,948 to Rabin *et al.* (hereinafter,"Rabin") in view of U.S. Patent No.

6,801,999 to Venkatesan *et al.* (hereinafter, "Venkatesan") and U.S. Patent No. 65,790,935 to

Payton.

Applicant respectfully traverses this rejection.

Independent claim 1 recites, *inter alia*:

"sending said warning report data by a selected method, the selected method
being either sending to a report address using an electronic mail or displaying said
warning report on a screen connected to the memory storage device when said
status code information nears the threshold value of said output setting
information, wherein a <u>selection of using an electronic mail or displaying the
warning report on the screen is determined based on a predetermined report
method in the output setting information.</u> " (emphasis added).

Thus, according to claim 1, when the status code information nears the threshold value of

the output setting information, the warning report is distributed by either of two methods: (1)

sending the report in an electronic mail, or (2) displaying the report on a display screen. The

selection of how the warning report is distributed (electronic mail or display) is determined by a

<u>predetermined report method, which is part of the output setting information</u> that also stores, for

example, threshold values of the contents usage rights information.

Thus, in an aspect of the present invention, FIG. 5 is a drawing showing a typical data

configuration for output setting information. The output setting information OI contains

information such as limit threshold values. The output setting information is the reference used

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when outputting warning data. The output setting information includes report method

information, and report address information. Publ. App. pars. [0058]-[0059].

Moreover, when a warning report is sent, the report method is determined by the output

setting information. The warning report data is distributed after referencing the report method

information in the output setting information to determine the reporting method to the user.

Thus, when a method is specified for outputting the warning report contents on the screen is

specified as the report method, the warning report contents are output to the screen display.

Alternatively, when outputting the warning report contents as electronic mail is specified as the

report method, the warning report contents are sent as electronic mail to, for example, mail

address information of the output setting information. Publ. App. par. [0085]-[0088].

The recited element is a positive limitation that requires output setting information to

include threshold values for contents usage rights. A warning report is sent when the threshold

value is neared. The method output setting information also determines the method of sending

the warning report.

The above recited feature of claim 1 is not disclosed in any of the cited references.

For reasons similar or somewhat similar to those described above with regard to

independent claim 1, independent claims 7, 9 and 10 are also believed to be patentable.

IV.   DEPENDENT CLAIMS

The other claims are dependent from one of the claims discussed above and are therefore

believed patentable for at least the same reasons. Because each dependent claim is also deemed

to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

<div align="center"><u>CONCLUSION</u></div>

Claims 1-3, 6, 7, 9 and 10 are in condition for allowance. In the event the Examiner disagrees with any of statements appearing above with respect to the disclosure in the cited reference, or references, it is respectfully requested that the Examiner specifically indicate those portions of the reference, or references, providing the basis for a contrary view.

Please charge any additional fees that may be needed, and credit any overpayment, to our Deposit Account No. 50-0320.

In view of the foregoing amendments and remarks, it is believed that all of the claims in this application are patentable and Applicant respectfully requests early passage to issue of the present application.

Respectfully submitted,

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